

Central Intelligence Agency



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## DIRECTORATE OF INTELLIGENCE

26 January 1983

South Korean Moves on the Cross-Recognition Issue [redacted]

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## Summary

Recent South Korean initiatives on cross-recognition--Beijing and Moscow recognizing Seoul in exchange for Washington and Tokyo recognizing P'yongyang--appear to reflect President Chun's growing confidence in office and his determination to involve his country fully in deliberations on the future of the Korean Peninsula. Seoul's lingering concerns that movement on the cross-recognition issue could disproportionately benefit P'yongyang are tempered by the realization that cross-recognition is a long way off. In the meantime, however, Seoul is raising the issue in an effort to sound out the major actors and to ensure that Seoul will not be left behind. [redacted]

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A South Korean proposal that China recognize South Korea in exchange for Japanese recognition of North Korea was broached with the Japanese Foreign Minister during Prime Minister Nakasone's visit to Seoul on 11-12 January. The South Koreans are giving this initiative priority and have asked the US to endorse it in discussions with Japan. According to Japanese officials, Seoul also plans to suggest to Secretary Shultz when he visits Seoul that the US propose to the Soviets that Moscow recognize Seoul in exchange for US recognition of P'yongyang. [redacted]

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This memorandum was prepared by [redacted] Korea Branch, Northeast Asia Division, Office of East Asian Analysis. Comments and queries are welcome and may be directed to the Chief, Korea Branch, [redacted]

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### Background on Cross-Recognition

Soon after the partition of Korea at the end of World War II, it became clear that any movement toward a political settlement on the peninsula would depend not only on the efforts of the two Korean parties but on the policies of the major powers as well. When a period of detente emerged in the early 1970s, Seoul and P'yongyang responded with an exploratory dialogue of their own. By the mid-1970s, however, the inter-Korean talks foundered on mutual distrust and North and South Korea returned to a harsh propaganda war. [REDACTED]

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It was at this time that the US first proposed the cross-recognition concept as a means of reducing tension on the Korean Peninsula and fostering an environment in which the two Koreas might begin working toward a modus vivendi. The concept as first presented envisioned a step-by-step process in which the US promised "reciprocal actions" if Beijing and Moscow moved to improve their relationships with South Korea. The exchange of full diplomatic recognition was to be the final stage of this process. [REDACTED]

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Many officials in Seoul have been wary of the concept from the outset. They have argued forcefully that the key to reducing tension on the peninsula is to insist that North Korea engage in a serious dialogue with the authorities in the South. Hardliners within the government--including some who remain in positions of influence--have gone further, insisting that any gestures by the US and other Western states toward North Korea, whether unilateral or part of a cross-recognition package, would actually be counterproductive, boosting P'yongyang's international standing and confidence and strengthening its resolve not to deal with the South. [REDACTED]

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Cross-recognition has never actually been put to a test. P'yongyang has consistently condemned the idea as a scheme intended to ratify and further harden the division of Korea. Both Beijing and Moscow have supported the North's position in their public statements. [REDACTED]

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### Recent Communist Moves and Motives

Renewed attention to the concept dates back to October when for the first time since the Korean War Soviet officials visited Seoul. Soviet approaches to Seoul have included visits by TASS representatives and a Ministry of Culture official as well as tentative suggestions that South Korea participate in Siberian construction projects. Trade between China and South Korea--albeit conducted largely in an indirect manner through Hong Kong and other East Asian parts--has been going on for several

years. Although such trade was curtailed early last year as a result of North Korean protests, transactions continue. Recently, several East European countries, including Hungary, have also shown growing interest in broadening informal contacts with South Korea. [redacted]

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Although the Communist states are by no means moving in tandem, their motivations appear to have some similarities. We believe that economic interests are significant in both cases. South Korea's fast-growing industries produce reasonably priced goods attractive to China, for example, and Seoul's highly professional construction companies have the capacity and expertise to contribute to Siberian development. [redacted] instances in which both Chinese and Soviet officials have privately expressed considerable interest in learning more about South Korea's successful approach to economic development. [redacted]

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At the same time, South Korea's enhanced international standing, as exemplified by the selection of Seoul as the site for the 1988 Summer Olympics, doubtless is a factor taken into account in both Moscow and Beijing. The Chinese and Soviets appear to have come separately to the conclusion that South Korea is an increasingly important regional power and that it is in their interests to open at least tentative lines of communications with Seoul. [redacted]

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Even so, there are limits to how far either the Soviets or Chinese are likely to go in flirting with Seoul at North Korea's expense. The Chinese in particular see North Korea as a strategic flank where Beijing's predominant influence must be maintained. They are also wary of setting any precedents that would prejudice their own reunification with Taiwan. Despite cool Moscow-P'yongyang relations, [redacted]

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[redacted] the Soviets remain reluctant to make any approach to Seoul that would seriously alienate P'yongyang. [redacted]

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### Seoul's Reaction

South Korean officials, in reacting initially to increased contacts with Communist countries, were flattered and pleased to steal a march on their adversaries in the North:

-- [redacted] they saw the attention as the positive result of a nearly decade-long effort on their part to develop such contacts, which they pursued as a means of strengthening South Korea's international standing and undercutting North Korea's ties with its principal allies.

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-- Seoul also saw the increased interest as a gratifying indication that its strong economic performance and role as a middle-sized power were finally being appreciated.

Additionally, we believe some foreign affairs officials in Seoul recognize that a case can be made for reciprocal Western moves toward P'yongyang. These specialists would acknowledge that the current situation on the peninsula is inherently dangerous, with large armies confronting one another across the Demilitarized Zone, and concede that Western contacts with North Korea might have a moderating effect in P'yongyang. [ ]

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These positive considerations notwithstanding, [ ] other South Korean officials--probably including Foreign Minister Lee--remain concerned that the US might use the limited progress represented by increased South Korean-Soviet contacts as a rationale for improving its relationship with North Korea. Such officials worry that a process of improved US-North Korean relations could be put into train which Seoul would be unable to control. [ ]

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#### Seoul's Recent Initiatives

Despite such reservations, President Chun is moving ahead on the cross-recognition issue. [ ] Chun believes the present political climate is suitable for such initiatives. We believe this reflects his growing confidence in his third year in office and the positive relationships he has developed with the current administrations in Tokyo and Washington. At the same time, we believe that Chun's move into the uncharted waters of cross-recognition bears some resemblance to his forward-leaning approach on the Pacific Basin initiative, which was not completely thought out when he first broached it in May of last year. This is characteristic of Chun's penchant for the bold stroke. [ ]

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South Korean officials have indicated to the Japanese that they prefer Tokyo to make its demarche first in Beijing, with the US following up in Moscow if Japan's move succeeds. Seoul has not indicated whether it prefers the demarches to be made in public or private. We believe that for their part the Japanese would welcome any initiative that could contribute to the long-term stabilization of the peninsula and would see any Chinese movement on cross-recognition as a useful step in that direction. In our judgment Prime Minister Nakasone will attempt to enlist China's cooperation--more likely in private than in public--and is likely to limit efforts to improve relations with North Korea unless that cooperation is forthcoming. [ ]

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In any event, [redacted]  
[redacted] Seoul believes neither the Chinese nor the Soviets are  
likely to accept such proposals any time soon. [redacted]  
[redacted] President Chon and his key foreign policy aides  
believe that South Korea-Soviet ties are at least a decade  
away. [redacted]

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There has been no comprehensive statement from South Korea  
on what it hopes to achieve with its initiatives, but Seoul  
probably wants to:

-- Sound out US, Japanese, Chinese, and Soviet positions on  
cross-recognition.

-- Assert itself as a major actor in any developments on  
this issue.

-- Ensure that any move by the US or its allies toward North  
Korea is fully reciprocated by China and the Soviet  
Union. [redacted]

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Looking ahead, as Seoul considers various responses to  
Communist probes, it will continue to seek strong assurances of  
US political, economic, and--most important--security support.  
[redacted]

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